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Provisional translation only

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Notice on Borrowing of Funds

Fukuoka REIT Corporation announces that it will conduct the borrowing of funds, as described below.

1. Borrowing of Funds

1) Reason for Borrowings

To fund part of the acquisition of real estate trust beneficiary interest "LOGICITY Hisayama" (Note 1) and related expenses.

(Note 1) For the overview of the real estate trust beneficiary interest (LOGICITY Hisayama), please refer to "Fukuoka REIT Corporation Concludes Agreement to Purchase a New Logistics Facility" separately announced today.

2. Outline of Borrowing

Borrowing 1

1. Lender	The Bank of Fukuoka, Resona Bank
2. Amount	2.3 billion yen
3. Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.35% (Note2)
4. Borrowing date	June 1, 2017
5. Borrowing method	Submit application based on commitment line agreement as of July 27, 2016
6. Repayment method	Lump-sum repayment on repayment date
7. Repayment date	June 30, 2017
8. Description	No collateral, No guarantee

Borrowing 2

1. Lender	The Nishi-Nippon City Bank, Resona Bank, The Oita Bank, The Bank of Nagasaki, The Bank of Saga
2. Amount	2.7 billion yen
3. Interest rate	Base interest rate (JBA 1-month Japanese Yen TIBOR) +0.35% (Note 2)
4. Borrowing date	June 1, 2017
5. Borrowing method	Submit application based on commitment line agreement as of February 25, 2016

6. Repayment method　Lump-sum repayment on repayment date
7. Repayment date　June 30, 2017
8. Description　No collateral, No guarantee

(Note 2) The applied base interest rate is the JBA 1-month Japanese Yen TIBOR two business days before the borrowing date (JBA 1-month Japanese Yen TIBOR is 0.03000% as of April 10, 2017). Moreover, JBA Japanese Yen TIBOR can be checked on the website of JBA TIBOR Administration.
http://www.jbatibor.or.jp/rate/ (Japanese)

2. Status of Debt after Borrowing

(unit: mm yen)

	Before Borrowing	After Borrowing	Change
Short-term debt (Note 3)	0	5,000	5,000
Long-term debt	62,975	62,975	0
(Of which, long-term debt payable due within one year)	[21,075]	[21,075]	[0]
Total	62,975	62,975	0
Corporation Bonds	2,000	2,000	0
Interest-bearing debt	64,975	69,975	5,000

(Note3) The borrowings are used from committed credit line [13,000 mm yen]

3. Others

Concerning risks related to repayments of this borrowing, etc., there are no material changes from the "Investment risks" disclosed in the latest Securities Report for the 24th Fiscal Period (submitted on November 29, 2016).

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*Fukuoka REIT Corporation's website is http://www.fukuoka-reit.jp